



FOR CLERK USE ONLY

City Council

Item No. 2

# CITY COUNCIL AGENDA FACT SHEET

Finance

Department

July 20, 2010

Requested Date

**1. Request:**

Council Approval

☒Information Only/  
Presentation☐

Other (specify)

☐

Hearing

☐**2. Requested Action:**

Approve Resolution No. 10-\_\_\_\_ establishing the special tax requirement for  
Community Facilities District #2003-1 for Fiscal Year 2010-11.

**3. Fiscal Impact:**

Revenue:

Increase

☐

Source: \_\_\_\_\_

Decrease

☐

Amount: \_\_\_\_\_

Cost:

Increase

☐

Source: \_\_\_\_\_

Decrease

☐

Amount: \_\_\_\_\_

Does Not Apply

☒**4. Reviewed By:**Finance Dept. on 7/14/2010By: [Signature]

Comments: \_\_\_\_\_

City Attorney on \_\_\_\_\_

By: \_\_\_\_\_

Comments: \_\_\_\_\_

*Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.*

CLERK USE ONLY:

CITY COUNCIL DATE: \_\_\_\_\_

Action

☐

Filing

☐

Consent

☐

Presentation

☐

Hearing

☐

Other(specify) \_\_\_\_\_

☐

Reviewed by: City Clerk \_\_\_\_\_

City Manager \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

# **CITY COUNCIL AGENDA REPORT**

**SUBJECT: Community Facilities District #2003-1**

**AGENDA DATE: July 20, 2010**

**PREPARED BY: Judith A. Hashem, Finance Director**

**APPROVED FOR AGENDA BY: Victor M. Carrillo, City Manager**

**RECOMMENDATION: Approval of Resolution establishing the special tax requirement  
for Community Facilities District #2003-1**

**FISCAL IMPACT: Fund 228 - Revenue \$144,075.62**

**BACKGROUND INFORMATION: (Prior action/information)**

The Community Facilities District #2003-1 (Bravo-Victoria/Eastside Village Assessment District) through Resolution 03-48 was established in 2003 to support the ongoing maintenance of the parks, landscaping, lighting and regional drainage storm water retention system facilities.

**DISCUSSION (Current consideration):**

On an annual basis the City is required to submit the tax levy requirement to the County to be placed on the tax roll. The City of Calexico annually contracts with David Taussig & Associates, a consultant, to prepare this analysis. Based on this report, staff recommends approval of the attached Resolution establishing the Fiscal Year 2010-11 Special Tax Levy.

Agenda Item No. \_\_\_\_\_

Page \_\_\_\_\_ Of \_\_\_\_\_

**CITY OF CALEXICO  
COMMUNITY FACILITIES DISTRICT  
No. 2003-1**

**June 25, 2010**

**ADMINISTRATION REPORT  
FISCAL YEAR 2010-2011**

**CITY OF CALEXICO  
COMMUNITY FACILITIES DISTRICT NO. 2003-1**

**Prepared for**

**CITY OF CALEXICO  
608 Heber Avenue  
Calexico, CA 92231**

**Prepared by**

**DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500**

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### **EXHIBITS**

**Exhibit A:** Fiscal Year 2010-2011 Special Tax Levy

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## ***Introduction***

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This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Community Facilities District No. 2003-1 ("CFD No. 2003-1") of the City of Calexico ("the City") for fiscal year 2010-2011.

CFD No. 2003-1 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Specifically, CFD No. 2003-1 is authorized to levy an annual special tax to finance all or some of the following: (a) maintenance of parks and open space (whether by the City or by another governmental entity) located within the areas bounded by East Zapata Street on the South, Meadows Drive on the North, Clinton Avenue on the West and Bowker Road on the East, (b) flood and storm protection services, including but not limited to, the operation and maintenance of storm drain systems serving parcels located in CFD No. 2003-1, and (c) the purchase, construction, expansion, improvement, or rehabilitation of any real or other tangible property with an estimated useful life of five years, where such property is either (i) a park or open space the maintenance of which may be financed pursuant to (a), above, (ii) a storm drain system that directly or indirectly serves one or more parcels within CFD No. 2003-1, (iii) a part or component of such park, open space, or storm drainage system, or (iv) property necessary or useful for the provision of services to be financed by CFD No. 2003-1.

The authorized services are funded through the annual levy and collection of special taxes from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2010-2011, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2003-1.

This report is organized into the following sections:

### **Section I**

Section I provides an update of the development status of property within CFD No. 2003-1.

### **Section II**

Section II analyzes the fiscal year 2009-2010 special tax levy.

### **Section III**

Section III determines the financial obligations of CFD No. 2003-1 for fiscal year 2010-2011.

### **Section IV**

Section IV reviews the methodology used to apportion the special tax requirement between Developed Property and Undeveloped Property. A table of the 2010-2011 special taxes for each classification of property is included.

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## ***I. Special Tax Classifications and Development Update***

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### **Special Tax Classifications**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment. The Rate and Method of Apportionment defines two categories of property, namely "Developed Property," and "Undeveloped Property." The category of Developed Property is in turn divided into six separate special tax classifications based on the type of structure built. A table of the Developed Property special tax classifications is shown below.

#### **Community Facilities District No. 2003-1 Developed Property Classifications**

<b>Land Use Class</b>	<b>Description</b>
1	Single Family Detached Property
2	Single Family Attached Property
3	Apartment Property
4	Mobile Home Property
5	RV Property
6	Non-Residential Property

Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically property for which (a) a building permit for new construction was issued as of January 1 of the previous Fiscal Year, (b) a park construction permit was issued for a Mobile Home Park or RV park as of January 1 of the previous Fiscal Year, or (c) a Mobile Home installation permit was issued as of January 1 of previous Fiscal Year shall be considered Developed Property. For example, all property in CFD No. 2003-1 for which the above events had occurred as of January 1, 2010, will be classified as Developed Property in fiscal year 2010-2011.

### **Development Update**

As of January 1, 2010 building permits had been issued for 543 single family detached units, 33 single family attached units, and 1.01 acres of non-residential property within CFD No. 2003-1. The table on the following page indicates the cumulative Developed Property, by class, within CFD No. 2003-1.

**Community Facilities District No. 2003-1  
Fiscal Year 2010-2011  
Cumulative Developed Property**

<b>Class</b>	<b>Land Use</b>	<b>Number of Units / Spaces / Acres</b>
1	Single Family Detached Property	543 units
2	Single Family Attached Property	33 units
3	Apartment Property	0 units
4	Mobile Home Property	0 spaces
5	RV Property	0 spaces
6	Non-Residential Property	1.01 acres



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## ***II. Fiscal Year 2009-2010 Special Tax Levy***

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The aggregate special tax levy for fiscal year 2009-2010 equaled \$141,245.28. As of June 22, 2010, \$137,164.50 in special taxes had been collected by the County. The remaining \$4,080.78 in special taxes are delinquent, resulting in a delinquency rate of 2.89 percent.

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### ***III. Fiscal Year 2010-2011 Special Tax Requirement***

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Pursuant to the Rate and Method of Apportionment, the special tax may be levied in CFD No. 2003-1 to: (1) pay for (a) maintenance of parks and open space, (b) flood control and storm protection services, and (c) the purchase, construction, expansion, improvement, or rehabilitation of park, open space, and storm drain facilities; and (ii) pay Administrative Expenses; less (iii) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator. For fiscal year 2010-2011 the funds required from CFD No. 2003-1 exceed the maximum special taxes that can be collected from Developed Property. Therefore, the special tax requirement is limited to \$144,075.62, the amount that can be collected through the levy of the maximum special tax.

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## ***IV. Method of Apportionment***

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### **Maximum Annual Special Taxes**

The amount of special taxes that CFD No. 2003-1 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The Maximum Special Taxes for each classification of Developed Property are specified in Table 1 of Section C of the Rate and Method of Apportionment. On each July 1, commencing on July 1, 2004, the Maximum Special Tax shall be increased by an amount equal to two percent (2%) of the Maximum Special Tax in effect for the previous Fiscal Year.

The Fiscal Year 2003-2004 Maximum Special Tax on Undeveloped Property is \$266.09 per Acre. No Special Tax shall be levied on Undeveloped Property after Fiscal Year 2003-2004. Therefore, for Fiscal Year 2010-2011, no Special Tax shall be levied on Undeveloped Property.

### **Apportionment of Annual Special Taxes**

The annual special tax that is apportioned to each parcel is determined through the application of Section D of the Rate and Method of Apportionment.

Commencing with Fiscal Year 2003-2004 and for each following Fiscal Year, the Council shall levy the special tax so that the amount of the special tax equals the special tax requirement. The special tax shall be levied proportionally on each Assessor's Parcel of Developed Property at up to 100% of the applicable maximum special tax.

Using this methodology generates special tax revenues of \$144,075.62 from Developed Property. The fiscal year 2010-2011 maximum and actual special taxes are shown for each classification of Developed Property in the following table.

**Community Facilities District No. 2003-1  
Fiscal Year 2010-2011 Annual Special Taxes  
for Developed Property**

<b>Land Use Class</b>	<b>Description</b>	<b>FY 2010-2011 Maximum Special Tax</b>	<b>FY 2010-2011 Actual Special Tax</b>
1	Single Family Detached Property	\$250.44 per Unit	\$250.44 per Unit
2	Single Family Attached Property	\$212.86 per Unit	\$212.86 per Unit
3	Apartment Property	\$187.82 per Unit	NA
4	Mobile Home Property	\$125.22 per Space	NA
5	RV Property	\$62.60 per Space	NA
6	Non-Residential Property	\$1,051.80 per Acre	\$1,051.80 per Acre

A list of the actual special tax levied against each parcel in CFD No. 2003-1 is included in Exhibit A.

**EXHIBIT A**

***CFD No. 2003-1 of  
City of Calexico***

***Special Tax Levy  
Fiscal Year 2010-2011***

## Exhibit A

**City of Calexico CFD No. 2003-1  
FY 2010-11 Special Tax Levy**

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<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2010-11 SPECIAL TAX</u>
059-451-001-000	D1	250.44
059-451-002-000	D1	250.44
059-451-003-000	D1	250.44
059-451-004-000	D1	250.44
059-451-005-000	D1	250.44
059-451-006-000	D1	250.44
059-451-007-000	D1	250.44
059-451-008-000	D1	250.44
059-451-009-000	D1	250.44
059-451-010-000	D1	250.44
059-451-011-000	D1	250.44
059-451-012-000	D1	250.44
059-451-013-000	D1	250.44
059-451-014-000	D1	250.44
059-451-015-000	D1	250.44
059-451-016-000	D1	250.44
059-451-017-000	D1	250.44
059-451-018-000	D1	250.44
059-452-001-000	D1	250.44
059-452-002-000	D1	250.44
059-452-003-000	D1	250.44
059-452-004-000	D1	250.44
059-452-005-000	D1	250.44
059-452-006-000	D1	250.44
059-452-007-000	D1	250.44
059-452-008-000	D1	250.44
059-452-009-000	D1	250.44
059-452-010-000	D1	250.44
059-452-011-000	D1	250.44
059-452-012-000	D1	250.44
059-452-013-000	D1	250.44
059-452-014-000	D1	250.44
059-452-015-000	D1	250.44
059-452-016-000	D1	250.44
059-452-017-000	D1	250.44
059-452-018-000	D1	250.44
059-452-019-000	D1	250.44
059-453-001-000	D1	250.44
059-453-002-000	D1	250.44
059-453-003-000	D1	250.44
059-453-004-000	D1	250.44
059-453-005-000	D1	250.44
059-453-006-000	D1	250.44
059-453-007-000	D1	250.44
059-453-008-000	D1	250.44
059-453-009-000	D1	250.44
059-453-010-000	D1	250.44
059-453-011-000	D1	250.44

## Exhibit A

City of Calexico CFD No. 2003-1  
FY 2010-11 Special Tax Levy

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<u>APN</u>	<u>TAX CLASS</u>	<u>FY 2010-11 SPECIAL TAX</u>
059-453-012-000	D1	250.44
059-453-013-000	D1	250.44
059-453-014-000	D1	250.44
059-453-015-000	D1	250.44
059-453-016-000	D1	250.44
059-453-017-000	D1	250.44
059-453-018-000	D1	250.44
059-453-019-000	D1	250.44
059-453-020-000	D1	250.44
059-453-021-000	D1	250.44
059-453-022-000	D1	250.44
059-453-023-000	D1	250.44
059-453-024-000	D1	250.44
059-453-025-000	D1	250.44
059-453-026-000	D1	250.44
059-453-027-000	D1	250.44
059-453-028-000	D1	250.44
059-453-029-000	D1	250.44
059-453-030-000	D1	250.44
059-453-031-000	D1	250.44
059-453-032-000	D1	250.44
059-453-033-000	D1	250.44
059-453-034-000	D1	250.44
059-453-035-000	D1	250.44
059-453-036-000	D1	250.44
059-453-037-000	D1	250.44
059-453-038-000	D1	250.44
059-453-039-000	D1	250.44
059-453-040-000	D1	250.44
059-453-041-000	D1	250.44
059-453-042-000	D1	250.44
059-453-043-000	D1	250.44
059-453-044-000	D1	250.44
059-453-045-000	D1	250.44
059-453-046-000	D1	250.44
059-453-047-000	D1	250.44
059-453-048-000	D1	250.44
059-453-049-000	D1	250.44
059-453-050-000	D1	250.44
059-453-051-000	D1	250.44
059-453-052-000	D1	250.44
059-453-053-000	D1	250.44
059-453-054-000	D1	250.44
059-453-055-000	D1	250.44
059-453-056-000	D1	250.44
059-453-057-000	D1	250.44
059-453-058-000	D1	250.44
059-454-001-000	D1	250.44